

# RADNOR ASSOCIATES, LTD.

SUITE 114 • TWO RADNOR CORPORATE CENTER  
100 MATSONFORD ROAD  
RADNOR, PENNSYLVANIA 19087  
215-687-4801

James P. Hartman

3-245A037

Fax: (215) 687-6041

September 1, 1993

Secretary,  
Interstate Commerce Commission  
Washington, DC 20423

Dear Secretary:

SEP 2 1993 3 15 PM  
INTERSTATE COMMERCE COMMISSION

SEP 2 1993 3 15 PM  
INTERSTATE COMMERCE COMMISSION

I enclose an original and a counterpart of the documents described below to be recorded pursuant to Section 11303 of Title 49 of the U. S. Code.

The documents are primary documents, which are submitted for recording under the same recordation number. Together they constitute a lease of railroad locomotives, as follows:

1. Master Lease of Railroad Equipment dated as of September 1, 1993 between Radnor Associates, Ltd. (as lessor) and JP Rail, Inc. d/b/a Southern Railroad Company of New Jersey (as lessee).
2. Rental Schedule RS #1 dated as of September 1, 1993, identifying certain railroad equipment delivered to the lessee subject to the Master Lease.

The names and addresses of the parties to the documents are as follows:

Lessor: Radnor Associates, Ltd.  
Two Radnor Corporate Center, Suite 114  
Radnor, Pennsylvania 19087

Lessee: JP Rail, Inc. d/b/a Southern Railroad  
Company of New Jersey  
2930 Richmond Street  
Philadelphia, Pennsylvania 19134

A description of the equipment covered by the documents follows:

- Two F7A locomotives manufactured by Electro Motive Division of General Motors Corporation.
- Both units are marked "Radnor Associates, Ltd., Lessor", and will bear the colors and historic name Reading Railroad.
- The road numbers of the two locomotives are 727 and 728.

RADNOR ASSOCIATES, LTD.

Secretary  
Interstate Commerce Commission  
September 1, 1993  
Page Two

A check in the amount of \$32 is enclosed, payable to the Interstate Commerce Commission, to cover the filing fee.

Please return the original and any extra copies of the enclosed documents, not needed by the Commission to:

Radnor Associates, Ltd.  
Suite 114  
Two Radnor Corporate Center  
Radnor, PA 19087

A short summary of the documents to appear in the index follows:

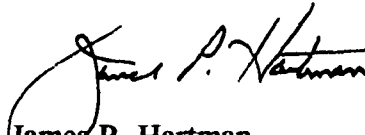
A lease between Radnor Associates, Ltd., as lessor, Suite 114, Two Radnor Corporate Center, Radnor, PA 19087 and JP Rail, Inc. d/b/a Southern Railroad company of New Jersey, as lessee, 2930 Richmond Street, Philadelphia, PA 19134, dated as of September 1, 1993 and covering two (2) railroad locomotives model F7A manufactured by Electro Motive Division of General Motors Corporation.

Please acknowledge your receipt of the enclosed document on the enclosed extra copy of this letter and return it to me in the enclosed addressed, postage prepaid, envelope.

If you have any question about the enclosed documents or this letter of transmittal please telephone me, collect, at (215) 687-4801.

Sincerely,

RADNOR ASSOCIATES, LTD.



James P. Hartman  
Vice President

RENTAL SCHEDULE AND ACCEPTANCE CERTIFICATE NO. 1(RS #) (the "Rental Schedule")  
DATED AS OF (RS DATE) (the "Acceptance Date")  
TO MASTER LEASE OF RAILROAD EQUIPMENT (the "Master Lease")  
DATED AS OF SEPTEMBER 1, 1993

18382

LESSOR

RADNOR ASSOCIATES, LTD.  
TWO RADNOR CORPORATE CENTER  
SUITE 114  
RADNOR, PENNSYLVANIA 19087

LESSEE

SEP 2 1993-3 22

JP RAIL, INC. D/B/A  
SOUTHERN RAILROAD COMPANY  
OF NEW JERSEY  
2930 RICHMOND STREET  
PHILADELPHIA, PA 19134

1. LEASE TERM. RENT, PAYMENT DATES.

This Rental Schedule, between Lessor and Lessee is executed pursuant to the terms and conditions of the Master Lease. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor these Units described below for the Lease Term and at the Rent payable on the Payment Dates and on the terms and conditions set forth herein and in the Master Lease:

<u>Capatalized Cost</u>	<u>Road Number</u>	<u>YR/Manufacturer/Model</u>	<u>Acceptance Date</u>
\$58,250	727	1953/Electro Motive Division of General Motors Corporation/F7A	September 1, 1993
<u>\$58,250</u>	728	1953/Electro Motive Division of General Motors Corporation/F7A	September 1, 1993
<u>\$116,500</u>	Total Lessor's Cost		

Location of Equipment: Southern Railroad Company of New Jersey  
Interchange with Conrail  
Winslow, NJ 08055

The Lease Term of each such Unit is the period from and including the Acceptance Date of such Unit set forth above, to and including the August 31, 1999 (the "Expiration Date").

Rent payable in respect of the Unit(s) described above is \$2,265 per month, payable in advance on September 1, 1993 and on the same day of each month during the balance of the Lease Term of such Unit(s) and thereafter until such Unit(s) has/have been purchased by Lessee or returned to Lessor pursuant to and in accordance with Article 11 of the Master Lease.

2. CAPITALIZED COST.

The Rent is premised on Lessor paying the vendor \$52,500 per Unit, paying an additional \$5,000 per Unit for repairs, upgrades, delivery and other costs approved by Lessor, and paying not more than \$1,500 in legal fees and disbursements in connection with the preparation of the Master Lease, Security Agreement, and related documents. The sum of \$52,500, \$5,000 and one-half of \$1,500 equals \$58,250 per Unit and is referred to as Capitalized Cost. Lessee may request Lessor to pay other cost or legal fees which may exceed the \$1,500 level. In such case, the Capitalized Cost will increase per Unit. Rent will correspondingly increase so that Lessor recovers its investment in the added costs with a return over the Lease Term.

RENTAL SCHEDULE AND ACCEPTANCE CERTIFICATE NO. 1  
PAGE TWO

3. ACCEPTANCE CERTIFICATE.

Lessee hereby represents, warrants and certifies (a) that the Units described herein have been delivered to and inspected and found satisfactory by Lessee and are accepted for lease by Lessee under this Rental Schedule and the Master Lease as of the Acceptance Date set forth above; (b) the Units are located as specified above; (c) the representations and warranties of Lessee set forth in the Master Lease are true and correct as of the date hereof.

SCHEDULE OF CASUALTY VALUES.

The Schedule of Casualty Values attached hereto is incorporated herein by reference and shall be applicable to the Units described above.

5. ENTIRE AGREEMENT. MODIFICATION AND WAIVERS. EXECUTION IN COUNTERPARTS.

This Rental Schedule, Master Lease, and the security agreements referred to therein constitute the entire agreement between Lessee and Lessor with respect to the leasing of the Units described herein. Capitalized terms not defined herein shall have the meanings assigned to them in the Master Lease. No amendment, modification or waiver of this Rental Schedule or the Master Lease will be effective unless evidenced by a writing signed by the party against whom enforcement is sought. This Rental Schedule may be executed in counterparts, all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Rental Schedule and Acceptance Certificate to be executed and delivered by their duly authorized representatives as of the date first above written.

RADNOR ASSOCIATES, LTD.  
Lessor

JP RAIL, INC. D/B/A  
SOUTHERN RAILROAD COMPANY  
OF NEW JERSEY  
Lessee

By:

  
Vice President

By:

  
President

COUNTERPART NO. 3 OF 4 SERIALLY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

JP RAIL, INC.  
EXHIBIT ONE  
RENTAL SCHEDULE AND ACCEPTANCE CERTIFICATE NO. 1

(Stated as a Percentage of Capitalized Cost)

<u>DATE</u>	<u>RENTAL PAYMENT</u>	<u>CASUALTY VALUE</u> (a)
Sep-93	1	100.0000%
Oct-93	2	99.7073%
Nov-93	3	99.4098%
Dec-93	4	99.1074%
Jan-94	5	98.8000%
Feb-94	6	98.4875%
Mar-94	7	98.1699%
Apr-94	8	97.8470%
May-94	9	97.5188%
Jun-94	10	97.1851%
Jul-94	11	96.8460%
Aug-94	12	96.5012%
Sep-94	13	96.1508%
Oct-94	14	95.7946%
Nov-94	15	95.4324%
Dec-94	16	95.0643%
Jan-95	17	94.6902%
Feb-95	18	94.3098%
Mar-95	19	93.9232%
Apr-95	20	93.5301%
May-95	21	93.1306%
Jun-95	22	92.7245%
Jul-95	23	92.3117%
Aug-95	24	91.8920%
Sep-95	25	91.4655%
Oct-95	26	91.0318%
Nov-95	27	90.5911%
Dec-95	28	90.1430%
Jan-96	29	89.6876%
Feb-96	30	89.2246%
Mar-96	31	88.7540%
Apr-96	32	88.2756%
May-96	33	87.7893%
Jun-96	34	87.2949%
Jul-96	35	86.7924%
Aug-96	36	86.2816%
Sep-96	37	85.7624%
Oct-96	38	85.2346%
Nov-96	39	84.6981%
Dec-96	40	84.1527%
Jan-97	41	83.5983%
Feb-97	42	83.0348%
Mar-97	43	82.4619%
Apr-97	44	81.8796%
May-97	45	81.2877%
Jun-97	46	80.6860%
Jul-97	47	80.0743%
Aug-97	48	79.4526%

(a) Casualty amount due in addition to Rent

JP RAIL, INC.  
EXHIBIT ONE  
RENTAL SCHEDULE AND ACCEPTANCE CERTIFICATE NO. 1

(Stated as a Percentage of Capitalized Cost)

<u>DATE</u>	<u>RENTAL PAYMENT</u>	<u>CASUALTY VALUE</u> (a)
Sep-97	49	78.8206%
Oct-97	50	78.1781%
Nov-97	51	77.5251%
Dec-97	52	76.8612%
Jan-98	53	76.1864%
Feb-98	54	75.5004%
Mar-98	55	74.8032%
Apr-98	56	74.0944%
May-98	57	73.3738%
Jun-98	58	72.6414%
Jul-98	59	71.8969%
Aug-98	60	71.1401%
Sep-98	61	70.3708%
Oct-98	62	69.5888%
Nov-98	63	68.7939%
Dec-98	64	67.9859%
Jan-99	65	67.1645%
Feb-99	66	66.3295%
Mar-99	67	65.4808%
Apr-99	68	64.6180%
May-99	69	63.7410%
Jun-99	70	62.8495%
Jul-99	71	61.9433%
Aug-99	72	61.0221%
THEREAFTER	--	60.0857%

(a) Casualty amount due in addition to Rent

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS  
COUNTY OF DELAWARE )

On August 30, 1993 before me, the undersigned authority, personally appeared JOSEPH F. PETACCIO, JR., known to me (or satisfactorily proven) to be the President of JP RAIL, INC. d/b/a SOUTHERN RAILROAD COMPANY OF NEW JERSEY, who, by me being duly sworn, said that the seal affixed to the within agreement is the corporate seal of such corporation, that he signed, and such corporate seal was affixed to, the within Agreement on behalf of such corporation by authority of its board of director and he acknowledged that the execution of the within Agreement was the free act and deed of such corporation.

Valerie A. Zerby  
Notary Public

Notarial Seal  
Valerie A. Zerfing, Notary Public  
Radnor Twp., Delaware County  
My Commission Expires Nov. 25, 1996  
Member, Pennsylvania Association of Notaries

COUNTY OF DELAWARE

Valerie A. Zepf  
Notary Public

**Notary Public**

Notarial Seal  
Valerie A. Zerling, Notary Public  
Radnor Twp., Delaware County  
My Commission Expires Nov. 25, 1996

**Member, Pennsylvania Association of Notaries**